GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3036
ANSWERED ON:21.03.2017
Sugarcane Dues
Muddahanumegowda Shri S.P.;Puttaraju Shri C.S.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the rate of sugarcane prices being paid to the farmers and the facilities provided by the Government to sugar mills;
(b) the outstanding dues of sugarcane growers against the sugar mills in Karnataka, as on date, along with the dues pertaining to the previous year;
(c) the number of private, co-operative and Government owned sugar mills in Karnataka along with the number of mills which are in operation;
(d) whether it is a fact that the Government has received complaints regarding non-purchasing of the entire sugarcane; and
(e) if so, the details thereof and the action taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a): The Central Government fixes the Fair and Remunerative Price (FRP) of sugarcane which is the minimum bench mark price that sugarcane growers are paid. For the sugar season 2016-17, the Central Government has fixed FRP for sugarcane at Rs.230/quintal at basic recovery rate of 9.5%. However some States announce State Advised Price (SAP) which is over and above FRP.
The Central Government from time to time extends financial assistance to sugar mills to facilitate them to clear cane price dues. The Government, under the Sugar Development Fund (SDF) also provides for concessional loans for modernization or rehabilitation, bagasse based cogeneration power projects, production of ethanol and sugarcane development at concessional rate of interest.
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(b): As on 28.02.2017, Rs. 547.69 crores of sugarcane dues of sugarcane growers are pending against the sugar mills of Karnataka for the sugar season 2016-17 alongwith Rs. 119.80 crores of previous years.
(c): As on 10.03.2017, there are 78 installed sugar mills in Karnataka, out of which 3 are in Public Sector, 50 in Private Sector and 25 are in Cooperative Sector. During the sugar season 2016-17, 61 sugar mills out of which 45 in Private Sector and 16 are in Cooperative Sector commenced crushing operations in the State of Karnataka.
(d): The Central Government has not received any complaint regarding non-purchasing of the entire sugarcane from any sugar producing States.
(e): Does not arise.
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